



3015 (02-09-04)

ANNUAL REPORT

OF

Name: PADDOCK LAKE MUNICIPAL WATER UTILITY

Principal Office: 6969 236TH AVENUE
PADDOCK LAKE, WI 53168

For the Year Ended: DECEMBER 31, 1997

WATER, ELECTRIC, OR JOINT UTILITY
TO
PUBLIC SERVICE COMMISSION OF WISCONSIN

P.O. Box 7854
Madison, WI 53707-7854
(608) 266-3766

This form is required under Wis. Stat. § 196.07. Failure to file the form by the statutory filing date can result in the imposition of a penalty under Wis. Stat. § 196.66. The penalty which can be imposed by this section of the statutes is a forfeiture of not less than \$25 nor more than \$5,000 for each violation. Each day subsequent to the filing date constitutes a separate and distinct violation. The filed form is available to the public and personally identifiable information may be used for purposes other than those related to public utility regulation.

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IDENTIFICATION AND OWNERSHIP

Exact Utility Name: PADDOCK LAKE MUNICIPAL WATER UTILITY**Utility Address:** 6969 236TH AVENUE
PADDOCK LAKE, WI 53168**When was utility organized?** 7/14/1960**Report any change in name:****Effective Date:****Utility Web Site:**

Utility employee in charge of correspondence concerning this report:

Name: MRS DORIS RADITZ**Title:** VILLAGE CLERK**Office Address:**6969 - 236TH AVENUE
PADDOCK LAKE, WI 53168**Telephone:** (414) 843 - 2713**Fax Number:** (414) 843 - 3409**E-mail Address:**

Individual or firm, if other than utility employee, preparing this report:

Name: HOPPE & ORENDORFF, S.C.**Title:****Office Address:** HOPPE & ORENDORFF, S.C.3916 - 67TH STREET
KENOSHA, WI 53142**Telephone:** (414) 657 - 7716**Fax Number:** (414) 657 - 6191**E-mail Address:**

Are records of utility audited by individuals or firms, other than utility employee? YES

Individual or firm, if other than utility employee, auditing utility records:

Name: HOPPE & ORENDORFF S.C.**Title:****Office Address:** HOPPE & ORENDORFF S.C.3916 67TH STREET
KENOSHA, WI 53142**Telephone:** (414) 657 - 7716**Fax Number:** (414) 657 - 6191**E-mail Address:****Date of most recent audit report:** 12/31/1997**Period covered by most recent audit:** 1/1/97 TO 12/31/97

IDENTIFICATION AND OWNERSHIP

Names and titles of utility management including manager or superintendent:

Name: ELAINE ODEGARD**Title:** OFFICER-IN-CHARGE**Office Address:**6969 236TH AVENUE
PADDOCK LAKE, WI 53168**Telephone:** (414) 843 - 2824**Fax Number:** (414) 843 - 3409**E-mail Address:**

Name of utility commission/committee:

Names of members of utility commission/committee:MR JEFF BORND AHL, TRUSTEE
MR DAVID BUEHN, TRUSTEE
MS MARLENE GOODSON, PRESIDENT
MR STEVEN HAUCH, TRUSTEE
MS BARBARA INGRAM, TRUSTEE
MR HOWARD SCHLICHTING, TRUSTEE
MR STANLEY VIDLAK, TRUSTEE

Is sewer service rendered by the utility? NO**If "yes," has the municipality, by ordinance, combined the water and sewer service into a single public utility, as provided by Wis. Stat. § 66.077 of the Wisconsin Statutes?** NO**Date of Ordinance:****Are any of the utility administrative or operational functions under contract or agreement with an outside provider for the year covered by this annual report and/or current year (i.e., operation of water or sewer treatment plant)?** NO

Provide the following information regarding the provider(s) of contract services:

Firm Name: NONE**Contact Person:****Title:****Telephone:****Fax Number:****E-mail Address:**

Contract/Agreement beginning-ending dates:**Provide a brief description of the nature of Contract Operations being provided:**

INCOME STATEMENT

Particulars (a)	This Year (b)	Last Year (c)	
UTILITY OPERATING INCOME			
Operating Revenues (400)	30,261	30,152	1
Operating Expenses:			
Operation and Maintenance Expense (401)	29,973	25,956	2
Depreciation Expense (403)	4,481	4,163	3
Amortization Expense (404)	0		4
Taxes (408)	972	3,785	5
Total Operating Expenses	35,426	33,904	
Net Operating Income	(5,165)	(3,752)	
Income from Utility Plant Leased to Others (412-413)	0		6
Utility Operating Income	(5,165)	(3,752)	
OTHER INCOME			
Income from Merchandising, Jobbing and Contract Work (415-416)	0		7
Nonoperating Rental Income (418)	0		8
Interest and Dividend Income (419)	57,848	51,183	9
Miscellaneous Nonoperating Income (421)	19,615	42,180	10
Total Other Income	77,463	93,363	
Total Income	72,298	89,611	
MISCELLANEOUS INCOME DEDUCTIONS			
Miscellaneous Amortization (425)	0		11
Other Income Deductions (426)	0		12
Total Miscellaneous Income Deductions	0	0	
Income Before Interest Charges	72,298	89,611	
INTEREST CHARGES			
Interest on Long-Term Debt (427)	68,188	71,434	13
Amortization of Debt Discount and Expense (428)	1,351	1,351	14
Amortization of Premium on Debt--Cr. (429)			15
Interest on Debt to Municipality (430)	0		16
Other Interest Expense (431)	0		17
Interest Charged to Construction--Cr. (432)			18
Total Interest Charges	69,539	72,785	
Net Income	2,759	16,826	
EARNED SURPLUS			
Unappropriated Earned Surplus (Beginning of Year) (216)	511,542	494,716	19
Balance Transferred from Income (433)	2,759	16,826	20
Miscellaneous Credits to Surplus (434)	0		21
Miscellaneous Debits to Surplus--Debit (435)	0		22
Appropriations of Surplus--Debit (436)	0		23
Appropriations of Income to Municipal Funds--Debit (439)	0		24
Total Unappropriated Earned Surplus End of Year (216)	514,301	511,542	

INCOME STATEMENT ACCOUNT DETAILS

1. Report each item (when individually or when like items are combined) greater than \$10,000 (class AB), \$5,000 (class C) and \$2,000 (class D) and all other lesser amounts grouped as Miscellaneous. Describe fully using other than account titles.
2. Nonregulated sewer income should be reported as Miscellaneous Nonoperating Income, Account 421.

Description of Item (a)	Amount (b)	
Revenues from Utility Plant Leased to Others (412):		
NONE		1
Total (Acct. 412):	0	
Expenses of Utility Plant Leased to Others (413):		
NONE		2
Total (Acct. 413):	0	
Nonoperating Rental Income (418):		
NONE		3
Total (Acct. 418):	0	
Interest and Dividend Income (419):		
INTEREST - WATER UTILITY	6,975	4
INTEREST - SEWER UTILITY	50,873	5
Total (Acct. 419):	57,848	
Miscellaneous Nonoperating Income (421):		
NON-REGULATED SEWER INCOME	19,615	6
Total (Acct. 421):	19,615	
Miscellaneous Amortization (425):		
NONE		7
Total (Acct. 425):	0	
Other Income Deductions (426):		
NONE		8
Total (Acct. 426):	0	
Miscellaneous Credits to Surplus (434):		
NONE		9
Total (Acct. 434):	0	
Miscellaneous Debits to Surplus (435):		
NONE		10
Total (Acct. 435)--Debit:	0	
Appropriations of Surplus (436):		
Detail appropriations to (from) account 215		11
Total (Acct. 436)--Debit:	0	
Appropriations of Income to Municipal Funds (439):		
NONE		12
Total (Acct. 439)--Debit:	0	

INCOME FROM MERCHANDISING, JOBBING & CONTRACT WORK (ACCTS. 415-416)

Particulars (a)	Water (b)	Electric (c)	Sewer (d)	Gas (e)	Total (f)	
Revenues (account 415)					0	1
Costs and Expenses of Merchandising, Jobbing and Contract Work (416):						
Cost of merchandise sold					0	2
Payroll					0	3
Materials					0	4
Taxes					0	5
Other (list by major classes):					0	6
Total costs and expenses	0	0	0	0	0	
Net income (or loss)	0	0	0	0	0	

REVENUES SUBJECT TO WISCONSIN REMAINDER ASSESSMENT

1. Report data necessary to calculate revenue subject to Wisconsin remainder assessment pursuant to Wis. Stat. § 196.85(2) and Wis. Admin. Code Ch. PSC 5.
2. If the sewer department is not regulated by the PSC, do not report sewer department data in column (d).

Description (a)	Water Utility (b)	Electric Utility (c)	Sewer Utility (Regulated Only) (d)	Gas Utility (e)	Total (f)	
Total operating revenues	30,261	0	0	0	30,261	1
Less: interdepartmental sales	0		0	0	0	2
Less: interdepartmental rents					0	3
Less: return on net investment in meters charged to regulated sewer department. (Do not report if nonregulated sewer.)	0				0	4
Less: uncollectibles directly expensed as reported in water acct. 904 (690 class D), sewer acct. 843, and electric acct. 904 (590 class D) -or- Net write-offs when Accumulated Provision for Uncollectible Accounts (acct. 144) is maintained					0	5
Other Increases or (Decreases) to Operating Revenues - Specify:						
NONE					0	6
Revenues subject to Wisconsin Remainder Assessment	30,261	0	0	0	30,261	

BALANCE SHEET

Assets and Other Debits (a)	Balance End of Year (b)	Balance First of Year (c)	
UTILITY PLANT			
Utility Plant (100)	178,153	178,208	1
Less: Accumulated Provision for Depreciation and Amortization of Utility Plant (110)	68,012	63,531	2
Net Utility Plant	110,141	114,677	
OTHER PROPERTY AND INVESTMENTS			
Nonutility Property (121)	4,287,142	4,160,137	3
Less: Accumulated Provision for Depreciation and Amortization of Nonutility Property (122)	1,376,088	1,231,362	4
Net Nonutility Property	2,911,054	2,928,775	
Investment in Municipality (123)	0		5
Other Investments (124)	0		6
Special Funds (125)	782,603	686,089	7
Total Other Property and Investments	3,693,657	3,614,864	
CURRENT AND ACCRUED ASSETS			
Cash and Working Funds (131)	31,058	83,845	8
Temporary Cash Investments (132)	350,246	403,216	9
Notes Receivable (141)	0		10
Customer Accounts Receivable (142)	9,826	14,323	11
Other Accounts Receivable (143)	56,018	47,527	12
Accumulated Provision for Uncollectible Accounts- -Cr. (144)	0	0	13
Receivables from Municipality (145)	101,006	126,408	14
Materials and Supplies (150)	0	0	15
Prepayments (165)	0		16
Other Current and Accrued Assets (170)	9,587		17
Total Current and Accrued Assets	557,741	675,319	
DEFERRED DEBITS			
Unamortized Debt Discount and Expense (181)	17,087	18,692	18
Extraordinary Property Losses (182)	0		19
Other Deferred Debits (183)	0		20
Total Deferred Debits	17,087	18,692	
Total Assets and Other Debits	4,378,626	4,423,552	

BALANCE SHEET

Liabilities and Other Credits (a)	Balance End of Year (b)	Balance First of Year (c)	
PROPRIETARY CAPITAL			
Capital Paid in by Municipality (200)	20,000	20,000	21
Appropriated Earned Surplus (215)			22
Unappropriated Earned Surplus (216)	514,301	511,542	23
Total Proprietary Capital	534,301	531,542	
LONG-TERM DEBT			
Bonds (221)	900,000	955,000	24
Advances from Municipality (223)	0		25
Other long-Term Debt (224)	0		26
Total Long-Term Debt	900,000	955,000	
CURRENT AND ACCRUED LIABILITIES			
Notes Payable (231)	0		27
Accounts Payable (232)	8,899	9,870	28
Payables to Municipality (233)	64,517	74,039	29
Customer Deposits (235)			30
Taxes Accrued (236)	0	3,056	31
Interest Accrued (237)	10,826	11,422	32
Other Current and Accrued Liabilities (238)			33
Total Current and Accrued Liabilities	84,242	98,387	
DEFERRED CREDITS			
Unamortized Premium on Debt (251)	0		34
Customer Advances for Construction (252)			35
Other Deferred Credits (253)	0		36
Total Deferred Credits	0	0	
OPERATING RESERVES			
Miscellaneous Operating Reserves (265)			37
Total Operating Reserves	0	0	
CONTRIBUTIONS IN AID OF CONSTRUCTION			
Contributions in Aid of Construction (271)	2,860,083	2,838,623	38
Total Liabilities and Other Credits	4,378,626	4,423,552	

NET UTILITY PLANT

Report utility plant accounts and related accumulated provisions for depreciation and amortization after allocation of common plant accounts and related provisions for depreciation and amortization to utility departments as of December 31.

Particulars (a)	Water (b)	Sewer (c)	Gas (d)	Electric (e)	
Plant Accounts:					
Utility Plant in Service (100)	178,153	0	0	0	1
Utility Plant Purchased or Sold (391)	0				2
Utility Plant in Process of Reclassification (392)					3
Utility Plant Leased to Others (393)					4
Property Held for Future Use (394)					5
Construction Work in Progress (395)					6
Utility Plant Acquisition Adjustments (396)					7
Other Utility Plant Adjustments (397)					8
Total Utility Plant	178,153	0	0	0	
Accumulated Provision for Depreciation and Amortization:					
Accumulated Provision for Depreciation of Utility Plant in Service (110)	68,012	0	0	0	9
Total Accumulated Provision	68,012	0	0	0	
Net Utility Plant	110,141	0	0	0	

ACCUMULATED PROVISION FOR DEPRECIATION AND AMORTIZATION OF UTILITY PLANT

Depreciation Accruals (Credits) during the year:

1. Report the amounts charged in the operating sections to Depreciation Expense (403).
2. If sewer operations are nonregulated, do not report sewer depreciation on this schedule.
3. Report the Depreciation Expense on Meters charged to sewer operations as an addition in the Water column.
If the sewer is also a regulated utility by the PSC, report an equal amount as a reduction in the Sewer column.
4. Report all other accruals charged to other accounts, such as to clearing accounts.

Particulars (a)	Water (b)	(c)	(d)	(e)	Total (f)	
Balance first of year	63,531				63,531	1
Credits During Year						2
Accruals:						3
Charged depreciation expense (403)	4,481				4,481	4
Depreciation expense on meters						5
charged to sewer (see Note 3)					0	6
Accruals charged other						7
accounts (specify):						8
					0	9
Salvage					0	10
Other credits (specify):						11
					0	12
Total credits	4,481	0	0	0	4,481	13
Debits during year						14
Book cost of plant retired	0				0	15
Cost of removal					0	16
Other debits (specify):						17
					0	18
Total debits	0	0	0	0	0	19
Balance End of Year	68,012	0	0	0	68,012	20
Composite Depreciation Rate?	Yes					21
If yes, what is the rate?	2.52%					22

NET NONUTILITY PROPERTY (ACCTS. 121 & 122)

1. Report separately each item of property with a book cost of \$5,000 or more included in account 121.
2. Other items may be grouped by classes of property.
3. Describe in detail any investment in sewer department carried in this account.

Description (a)	Balance First of Year (b)	Additions During Year (c)	Deductions During Year (d)	Balance End of Year (e)	
Nonregulated sewer plant	4,160,137	127,005		4,287,142	1
Other (specify):					
NONE				0	2
Total Nonutility Property (121)	4,160,137	127,005	0	4,287,142	
Less accum. prov. depr. & amort. (122)	1,231,362	144,726		1,376,088	3
Net Nonutility Property	2,928,775	(17,721)	0	2,911,054	

ACCUMULATED PROVISION FOR UNCOLLECTIBLE ACCOUNTS-CR. (ACCT. 144)

Particulars (a)	Amount (b)
Balance first of year	1
Additions:	
Provision for uncollectibles during year	2
Collection of accounts previously written off: Utility Customers	3
Collection of accounts previously written off: Others	4
Total Additions	<u>0</u>
Deductions:	
Accounts written off during the year: Utility Customers	5
Accounts written off during the year: Others	6
Total accounts written off	<u>0</u>
Balance end of year	<u><u>0</u></u>

MATERIALS AND SUPPLIES

Account (a)	Generation (b)	Transmission (c)	Distribution (d)	Other (e)	Total End of Year (f)	Amount Prior Year (g)
Electric Utility						
Fuel for generation					0	1
Other					0	2
Total Electric Utility					<u>0</u>	<u>0</u>

Account	Total End of Year	Amount Prior Year	
Electric utility total	0	0	1
Water utility			2
Sewer utility			3
Gas utility			4
Merchandise			5
Other materials & supplies			6
Total Materials and Supplies	<u>0</u>	<u>0</u>	

UNAMORTIZED DEBT DISCOUNT & EXPENSE & PREMIUM ON DEBT (ACCTS. 181 AND 251)

Report net discount and expense or premium separately for each security issue.

Debt Issue to Which Related (a)	Written Off During Year		Balance End of Year (d)	
	Amount (b)	Account Charged or Credited (c)		
Unamortized debt discount & expense (181)				
1991 REVENUE BONDS DISCOUNT	1,605	181	17,087	1
Total			17,087	
Unamortized premium on debt (251)				
NONE				2
Total			0	

CAPITAL PAID IN BY MUNICIPALITY (ACCT. 200)

Report each item (when individually or when like items are combined) greater than \$10,000 (class AB), \$5,000 (class C) and \$2,000 (class D, sewer and privates) and all other lesser amounts grouped as Miscellaneous. Describe fully using other than account titles.

Particulars (a)	Amount (b)	
Balance first of year	20,000	1
Changes during year (explain):		
NONE		2
Balance end of year	20,000	

BONDS (ACCT. 221)

1. Report hereunder information required for each separate issue of bonds.
2. If there is more than one interest rate for an aggregate obligation issue, average the interest rates and report one rate.
3. Proceeds advanced by the municipality from sale of general obligation bonds, if repayable by utility, should be included in account 223.

Description of Issue (a)	Date of Issue (b)	Final Maturity Date (c)	Interest Rate (d)	Principal Amount End of Year (e)	
1991 SEWAGE SYSTEM REVENUE BONDS	08/01/1991	11/01/2008	7.00%	900,000	1
Total Bonds (Account 221):				900,000	

NOTES PAYABLE & MISCELLANEOUS LONG-TERM DEBT

1. Report each class of debt included in Accounts 223, 224 and 231.
2. Proceeds of general obligation issues, if subject to repayment by the utility, should be included in Account 223.
3. If there is more than one interest rate for an aggregate obligation issue, average the interest rates and report one rate.

Account and Description of Obligation (a and b)	Date of Issue (c)	Final Maturity Date (d)	Interest Rate (e)	Principal Amount End of Year (f)	
Notes Payable (231)					
NONE	00/00/0000	00/00/0000	0.00%	0	1
Total for Account 231				0	

TAXES ACCRUED (ACCT. 236)

Particulars (a)	Amount (b)	
Balance first of year	3,056	1
Accruals:		
Charged water department expense	5,146	2
Charged electric department expense		3
Charged sewer department expense		4
Other (explain):		
NONE		5
Total Accruals and other credits	5,146	
Taxes paid during year:		
County, state and local taxes	3,615	6
Social Security taxes	932	7
PSC Remainder Assessment	40	8
Other (explain):		
VILLAGE FORGAVE TAX EQUIVALENT	3,615	9
Total payments and other debits	8,202	
Balance end of year	0	

INTEREST ACCRUED (ACCT. 237)

1. Report below interest accrued on each utility obligation.
2. Report Customer Deposits under Account 231.

Description of Issue (a)	Interest Accrued Balance First of Year (b)	Interest Accrued During Year (c)	Interest Paid During Year (d)	Interest Accrued Balance End of Year (e)	
Bonds (221)					
1991 Revenue Bonds	11,422	68,188	68,784	10,826	1
Subtotal	11,422	68,188	68,784	10,826	
Advances from Municipality (223)					
NONE	0			0	2
Subtotal	0	0	0	0	
Other long-Term Debt (224)					
NONE				0	3
Subtotal	0	0	0	0	
Notes Payable (231)					
NONE				0	4
Subtotal	0	0	0	0	
Total	11,422	68,188	68,784	10,826	

CONTRIBUTIONS IN AID OF CONSTRUCTION (ACCOUNT 271)

Particulars (a)	Water (b)	Electric		Sewer (e)	Gas (f)	Total (g)	
		Distribution (c)	Other (d)				
Balance First of Year	256,631			2,581,992		2,838,623	1
Add credits during year:							
For Services	460			21,000		21,460	2
For Mains						0	3
Other (specify):							
NONE						0	4
Deduct charges (specify):							
NONE						0	5
Balance End of Year	257,091	0	0	2,602,992	0	2,860,083	
Amount of federal and state grants in aid received for utility construction included in End of Year totals	98,395			1,928,260		2,026,655	6

BALANCE SHEET END-OF-YEAR ACCOUNT BALANCES

Report each item (when individually or when like items are combined) greater than \$10,000 (class AB), \$5,000 (class C) and \$2,000 (class D) and all other lesser amounts grouped as Miscellaneous. Describe fully using other than account titles.

Particulars (a)	Balance End of Year (b)	
Investment in Municipality (123):		
NONE		1
Total (Acct. 123):	0	
Other Investments (124):		
NONE		2
Total (Acct. 124):	0	
Special Funds (125):		
Sewer Bond Redemption	118,000	3
State Trust Fund - Sewer	527,004	4
Sewer Plant #2	49,367	5
Sewer Hookup	88,232	6
Total (Acct. 125):	782,603	
Notes Receivable (141):		
NONE		7
Total (Acct. 141):	0	
Customer Accounts Receivable (142):		
Water	9,826	8
Electric		9
Sewer (Regulated)		10
Other (specify):		
NONE		11
Total (Acct. 142):	9,826	
Other Accounts Receivable (143):		
Sewer (Non-regulated)	56,018	12
Merchandising, jobbing and contract work		13
Other (specify):		
NONE		14
Total (Acct. 143):	56,018	
Receivables from Municipality (145):		
Operating Receivable - General Fund	1,435	15
Delinquent Utility Bills on Tax Roll	99,571	16
Total (Acct. 145):	101,006	
Prepayments (165):		
NONE		17
Total (Acct. 165):	0	

BALANCE SHEET END-OF-YEAR ACCOUNT BALANCES

Report each item (when individually or when like items are combined) greater than \$10,000 (class AB), \$5,000 (class C) and \$2,000 (class D) and all other lesser amounts grouped as Miscellaneous. Describe fully using other than account titles.

Particulars (a)	Balance End of Year (b)	
Extraordinary Property Losses (182):		
NONE		18
Total (Acct. 182):	0	
Other Deferred Debits (183):		
NONE		19
Total (Acct. 183):	0	
Payables to Municipality (233):		
Operating Payable	64,517	20
Total (Acct. 233):	64,517	
Other Deferred Credits (253):		
NONE		21
Total (Acct. 253):	0	

RETURN ON RATE BASE COMPUTATION

1. The data used in calculating rate base are averages.
2. Calculate those averages by summing the first-of-year and the end-of-year figures for each account and then dividing the sum by two.
3. Note: Do not include property held for future use or construction work in progress with utility plant in service. These are not rate base components.

Average Rate Base (a)	Water (b)	Electric (c)	Sewer (d)	Gas (e)	Total (f)	
Add Average:						
Utility Plant in Service	178,180	0	0	0	178,180	1
Materials and Supplies	0	0	0	0	0	2
Other (specify):					0	3
Less Average:						
Reserve for Depreciation	65,771	0	0	0	65,771	4
Customer Advances for Construction					0	5
Contributions in Aid of Construction	256,861	0	0	0	256,861	6
Other (specify):					0	7
Average Net Rate Base	(144,452)	0	0	0	(144,452)	
Net Operating Income	(5,165)	0	0	0	(5,165)	8
Net Operating Income as a percent of						
Average Net Rate Base	N/A	N/A	N/A	N/A	N/A	

RETURN ON PROPRIETARY CAPITAL COMPUTATION

1. The data used in calculating proprietary capital are averages.
2. Calculate those averages by summing the first-of-year and end-of-year figures for each account and then dividing by two.

Description (a)	Amount (b)	
Average Proprietary Capital		
Capital Paid in by Municipality	20,000	1
Appropriated Earned Surplus	0	2
Unappropriated Earned Surplus	512,921	3
Other (Specify):		4
Total Average Proprietary Capital	532,921	
Net Income		
Net Income	2,759	5
Percent Return on Proprietary Capital	0.52%	

IMPORTANT CHANGES DURING THE YEAR

Report changes of any of the following types:

1. Acquisitions.

2. Leaseholder changes.

3. Extensions of service.

4. Estimated changes in revenues due to rate changes.

5. Obligations incurred or assumed, excluding commercial paper.

6. Formal proceedings with the Public Service Commission.

7. Any additional matters.

FINANCIAL SECTION FOOTNOTES

Taxes Accrued (Acct. 236) (Page F-15)

The village forgave the 1997 tax equivalent so this amount was written off.
A copy of the motion is attached.

FINANCIAL SECTION FOOTNOTES

Identification and Ownership (Page iv)

December 1, 1998

Ms. Doris Raditz, Clerk
Paddock Lake Municipal Water Utility
6969 236th Avenue
Paddock Lake, WI 53168

1997 Analytical Review DWCCA-4510-PJL

Dear Ms. Raditz:

The Public Service Commission (Commission) is in the process of completing an analytical review of your utility's 1997 annual report. The purposes of an analytical review are to detect possible reporting or accounting related errors and to identify significant fluctuations from established trends in reported data not sufficiently explained in the annual report. It is our hope that our review will supply information that will enable us to better provide guidance to your utility regarding proper utility accounting and the preparation of future annual reports. In order to complete this review, we request the following information:

1. Page F-7, line 22 reports a composite depreciation rate of 3.44 percent, which appears to be erroneous. Depreciation accruals of \$4,481.00 on page F-7, line 4, result in a composite rate of approximately 2.53 percent, which is consistent with your annual reports in recent years. Please indicate what change is required for page F-7, line 22.
2. During our review of the financial section footnotes we noted that you explained that the village forgave the 1997 tax equivalent and the amount was written off. Please explain whether this was a one time occurrence or if this is a permanent forgiveness of the tax equivalent. Please also provide the date of the meeting at which the motion was passed and follow this procedure in the future.
3. During our review of the Water Utility Plant In Service Schedule we noted that in the 1996 report you report end of year balances of \$1,998.00 in account 372.1 and \$9,559.00 in account 373. However, in 1997 you report first of year balances of \$1,998.00 in account 373 and \$9,559.00 in account 379. Please explain and provide all related annual report corrections.

We appreciate your cooperation in providing the above information. These recommendations are intended to provide accounting assistance and should not be construed as criticisms of utility personnel. If you have any questions, please feel free to contact me at (608) 267-9198. Please respond within 30 days of this letter. If we have no questions regarding your response, you can consider the review closed.

Sincerely,

Peter J. Leege

FINANCIAL SECTION FOOTNOTES

Financial Specialist
Division of Water, Compliance, and Consumer Affairs

Pjl:tlk:W:\COMPL\LEEGE\4510 ar

WATER OPERATING REVENUES & EXPENSES

Particulars (a)	Amounts (b)	
Operating Revenues		
Sales of Water		
Sales of Water (460-467)	29,385	1
Total Sales of Water	29,385	
Other Operating Revenues		
Forfeited Discounts (470)	725	2
Other Water Revenues (474)	151	3
Amortization of Construction Grants (475)	0	4
Total Other Operating Revenues	876	
Total Operating Revenues	30,261	
Operation and Maintenance Expenses		
Plant Operation and Maintenance Expenses (600-660)	17,782	5
General Operating Expenses (680-690)	12,191	6
Total Operation and Maintenance Expenses	29,973	
Other Operating Expenses		
Depreciation Expense (403)	4,481	7
Amortization Expense (404)		8
Taxes (408)	972	9
Total Other Operating Expenses	5,453	
Total Operating Expenses	35,426	
NET OPERATING INCOME	(5,165)	

WATER OPERATING REVENUES - SALES OF WATER

1. Where customer meters record cubic feet, multiply by 7.48 to obtain number of gallons.
2. Report estimated gallons for unmetered sales.
3. Sales to multiple dwelling buildings through a single meter serving 3 or more family units should be classified commercial.
4. Bulk sales should be account 460.

Particulars (a)	Average No. Customers (b)	Thousands of Gallons of Water Sold (c)	Amounts (d)	
Operating Revenues				
Sales of Water				
Unmetered Sales to General Customers (460)				
Residential	288	27,602	29,385	1
Commercial				2
Industrial				3
Total Unmetered Sales to General Customers (460)	288	27,602	29,385	
Metered Sales to General Customers (461)				
Residential				4
Commercial				5
Industrial				6
Total Metered Sales to General Customers (461)	0	0	0	
Private Fire Protection Service (462)				7
Public Fire Protection Service (463)			0	8
Other Sales to Public Authorities (464)				9
Sales to Irrigation Customers (465)				10
Sales for Resale (466)		0	0	11
Interdepartmental Sales (467)				12
Total Sales of Water	288	27,602	29,385	

SALES FOR RESALE (ACCT. 466)

Use a separate line for each delivery point.

Customer Name (a)	Point of Delivery (b)	Thousands of Gallons Sold (c)	Revenues (d)
------------------------------------	--	--	-------------------------------

NONE

OTHER OPERATING REVENUES (WATER)

1. Report revenues relating to each account and fully describe each item using other than the account title.
2. Report each item (when individually or when like items are combined) greater than \$10,000 (class AB), \$5,000 (class C) and \$2,000 (class D and privates) and all other lesser amounts grouped as Miscellaneous.
3. For a combined utility which also provides sewer service that is based upon water readings, report the return on net investment in meters charged to sewer department in Other Water Revenues (474).

Particulars (a)	Amount (b)	
Public Fire Protection Service (463):		
Amount billed (usually per rate schedule F-1)	0	1
Wholesale fire protection billed		2
Amount billed for fighting fires outside utility's service areas (usually per rate schedule F-2 or BW-1)		3
Other (specify):		
NONE		4
Total Public Fire Protection Service (463)	0	
Forfeited Discounts (470):		
Customer late payment charges	725	5
Other (specify):		
NONE		6
Total Forfeited Discounts (470)	725	
Other Water Revenues (474):		
Return on net investment in meters charged to sewer department		7
Other (specify):		
Water Standby Charges	151	8
Total Other Water Revenues (474)	151	
Amortization of Construction Grants (475):		
NONE		9
Total Amortization of Construction Grants (475)	0	

WATER OPERATION & MAINTENANCE EXPENSES

Each expense account that has an increase or a decrease when compared to the previous year of greater than 30 percent, but not less than \$2,000, shall be fully explained in the schedule footnotes.

Particulars (a)	Amount (b)	
PLANT OPERATION AND MAINTENANCE EXPENSES		
Salaries and Wages (600)	7,521	1
Purchased Water (610)		2
Fuel or Power Purchased for Pumping (620)	3,436	3
Chemicals (630)		4
Supplies and Expenses (640)	113	5
Repairs of Water Plant (650)	6,712	6
Transportation Expenses (660)		7
Total Plant Operation and Maintenance Expenses	17,782	
GENERAL OPERATING EXPENSES		
Administrative and General Salaries (680)	4,667	8
Office Supplies and Expenses (681)	1,755	9
Outside Services Employed (682)	2,463	10
Insurance Expense (684)	1,145	11
Employees Pensions and Benefits (686)	2,161	12
Regulatory Commission Expenses (688)		13
Miscellaneous General Expenses (689)		14
Uncollectible Accounts (690)		15
Total General Operating Expenses	12,191	
Total Operation and Maintenance Expenses	29,973	

TAXES (ACCT. 408 - WATER)

When allocation of taxes is made between departments, explain method used.
--

Description of Tax (a)	Method Used to Allocate Between Departments (b)	Amount (c)	
Property Tax Equivalent		0	1
Less: Local and School Tax Equivalent on Meters Charged to Sewer Department			2
Net property tax equivalent		0	
Social Security		932	3
PSC Remainder Assessment		40	4
Other (specify): NONE			5
Total tax expense		972	

PROPERTY TAX EQUIVALENT (WATER)

1. No property tax equivalent shall be determined for sewer utilities or town sanitary district water utilities.
2. Tax rates are those issued in November (usually) of the year being reported and are available from the municipal treasurer. Report the tax rates in mills to six (6) decimal places.
3. The assessment ratio is available from the municipal treasurer. Report the ratio as a decimal to six (6) places.
4. The utility plant balance first of year should include the gross book values of plant in service, property held for future use and construction work in progress.
5. An "other tax rate" is included in the "Net Local and School Tax Rate Calculation" to the extent that it is local. An example is a local library tax. Fully explain the rate in the Property Tax Equivalent schedule footnotes.
6. The Property Tax Equivalent to be reported for the year is determined pursuant to Wis. Stat § 66.069(1)(c). Report the higher of the current year calculation or the tax equivalent reported in the 1994 PSC annual report, unless, the municipality has authorized a lower amount, then that amount is reported as the property tax equivalent.
7. If the municipality has authorized a lower amount, the authorization description and date of the authorization must be reported in the Property Tax Equivalent schedule footnotes.

Particulars (a)	Units (b)	Total (c)	County A (d)	County B (e)	County C (f)	County D (g)	
County name			Kenosha				1
SUMMARY OF TAX RATES							2
State tax rate	mills		0.227600				3
County tax rate	mills		5.331400				4
Local tax rate	mills		6.551300				5
School tax rate	mills		14.333400				6
Voc. school tax rate	mills		1.781800				7
Other tax rate - Local	mills						8
Other tax rate - Non-Local	mills						9
Total tax rate	mills		28.225500				10
Less: state credit	mills		3.425400				11
Net tax rate	mills		24.800100				12
PROPERTY TAX EQUIVALENT CALCULATION							13
Local Tax Rate	mills		6.551300				14
Combined School Tax Rate	mills		16.115200				15
Other Tax Rate - Local	mills						16
Total Local & School Tax	mills		22.666500				17
Total Tax Rate	mills		28.225500				18
Ratio of Local and School Tax to Total	dec.		0.803050				19
Total tax net of state credit	mills		24.800100				20
Net Local and School Tax Rate	mills		19.915731				21
Utility Plant, Jan. 1	\$	178,208	178,208				22
Materials & Supplies	\$	0					23
Subtotal	\$	178,208	178,208				24
Less: Plant Outside Limits	\$	0					25
Taxable Assets	\$	178,208	178,208				26
Assessment Ratio	dec.		0.890000				27
Assessed Value	\$	158,605	158,605				28
Net Local & School Rate	mills		19.915731				29
Tax Equiv. Computed for Current Year	\$	3,159	3,159				30
Tax Equivalent per 1994 PSC Report	\$	3,615					31
Any lower tax equivalent as authorized by municipality (see note 6)	\$	0					32
Tax equiv. for current year (see note 6)	\$	0					34

WATER UTILITY PLANT IN SERVICE

1. All adjustments, corrections and reclassifications should be reported in Column (f), Adjustments.
2. Explain fully as a schedule footnote the nature of all entries reported in Column (f), Adjustments.
3. Explain as a schedule footnote the dollar additions and retirements reported in Columns (c) and (e) for each account over \$10,000 not supported by statistical schedules.
4. Use only the account titles listed. If the utility has subaccounts other than account 372.1, combine them into one total and detail by subaccount as a schedule footnote.

Accounts (a)	Balance First of Year (b)	Additions During Year (c)	
INTANGIBLE PLANT			
Organization (301)			1
Franchises and Consents (302)			2
Miscellaneous Intangible Plant (303)			3
Total Intangible Plant	<u>0</u>	<u>0</u>	
 SOURCE OF SUPPLY PLANT			
Land and Land Rights (310)			4
Structures and Improvements (311)			5
Collecting and Impounding Reservoirs (312)			6
Lake, River and Other Intakes (313)			7
Wells and Springs (314)	5,256		8
Infiltration Galleries and Tunnels (315)			9
Supply Mains (316)			10
Other Water Source Plant (317)			11
Total Source of Supply Plant	<u>5,256</u>	<u>0</u>	
 PUMPING PLANT			
Land and Land Rights (320)			12
Structures and Improvements (321)	4,354		13
Boiler Plant Equipment (322)			14
Other Power Production Equipment (323)			15
Steam Pumping Equipment (324)			16
Electric Pumping Equipment (325)	19,814		17
Diesel Pumping Equipment (326)			18
Hydraulic Pumping Equipment (327)			19
Other Pumping Equipment (328)			20
Total Pumping Plant	<u>24,168</u>	<u>0</u>	
 WATER TREATMENT PLANT			
Land and Land Rights (330)			21
Structures and Improvements (331)			22
Water Treatment Equipment (332)			23
Total Water Treatment Plant	<u>0</u>	<u>0</u>	
 TRANSMISSION AND DISTRIBUTION PLANT			
Land and Land Rights (340)			24
Structures and Improvements (341)			25

WATER UTILITY PLANT IN SERVICE (cont.)

Accounts (d)	Retirements During Year (e)	Adjustments Increase or (Decrease) (f)	Balance End of Year (g)	
INTANGIBLE PLANT				
Organization (301)			0	1
Franchises and Consents (302)			0	2
Miscellaneous Intangible Plant (303)			0	3
Total Intangible Plant	0	0	0	
SOURCE OF SUPPLY PLANT				
Land and Land Rights (310)			0	4
Structures and Improvements (311)			0	5
Collecting and Impounding Reservoirs (312)			0	6
Lake, River and Other Intakes (313)			0	7
Wells and Springs (314)			5,256	8
Infiltration Galleries and Tunnels (315)			0	9
Supply Mains (316)			0	10
Other Water Source Plant (317)			0	11
Total Source of Supply Plant	0	0	5,256	
PUMPING PLANT				
Land and Land Rights (320)			0	12
Structures and Improvements (321)			4,354	13
Boiler Plant Equipment (322)			0	14
Other Power Production Equipment (323)			0	15
Steam Pumping Equipment (324)			0	16
Electric Pumping Equipment (325)			19,814	17
Diesel Pumping Equipment (326)			0	18
Hydraulic Pumping Equipment (327)			0	19
Other Pumping Equipment (328)			0	20
Total Pumping Plant	0	0	24,168	
WATER TREATMENT PLANT				
Land and Land Rights (330)			0	21
Structures and Improvements (331)			0	22
Water Treatment Equipment (332)			0	23
Total Water Treatment Plant	0	0	0	
TRANSMISSION AND DISTRIBUTION PLANT				
Land and Land Rights (340)			0	24
Structures and Improvements (341)			0	25

WATER UTILITY PLANT IN SERVICE

1. All adjustments, corrections and reclassifications should be reported in Column (f), Adjustments.
2. Explain fully as a schedule footnote the nature of all entries reported in Column (f), Adjustments.
3. Explain as a schedule footnote the dollar additions and retirements reported in Columns (c) and (e) for each account over \$10,000 not supported by statistical schedules.
4. Use only the account titles listed. If the utility has subaccounts other than account 372.1, combine them into one total and detail by subaccount as a schedule footnote.

Accounts (a)	Balance First of Year (b)	Additions During Year (c)	
TRANSMISSION AND DISTRIBUTION PLANT			
Distribution Reservoirs and Standpipes (342)	11,974		26
Transmission and Distribution Mains (343)	69,785		27
Fire Mains (344)			28
Services (345)	52,577	450	29
Meters (346)			30
Hydrants (348)	2,891		31
Other Transmission and Distribution Plant (349)			32
Total Transmission and Distribution Plant	137,227	450	
GENERAL PLANT			
Land and Land Rights (370)			33
Structures and Improvements (371)			34
Office Furniture and Equipment (372)			35
Computer Equipment (372.1)	1,998		36
Transportation Equipment (373)	9,559		37
Other General Equipment (379)			38
Other Tangible Property (390)			39
Total General Plant	11,557	0	
Total utility plant in service directly assignable	178,208	450	
Common Utility Plant Allocated to Water Department			40
Total utility plant in service	178,208	450	

WATER UTILITY PLANT IN SERVICE (cont.)

Accounts (d)	Retirements During Year (e)	Adjustments Increase or (Decrease) (f)	Balance End of Year (g)
TRANSMISSION AND DISTRIBUTION PLANT			
Distribution Reservoirs and Standpipes (342)			11,974 26
Transmission and Distribution Mains (343)			69,785 27
Fire Mains (344)			0 28
Services (345)			53,027 29
Meters (346)			0 30
Hydrants (348)		(505)	2,386 31
Other Transmission and Distribution Plant (349)			0 32
Total Transmission and Distribution Plant	0	(505)	137,172
GENERAL PLANT			
Land and Land Rights (370)			0 33
Structures and Improvements (371)			0 34
Office Furniture and Equipment (372)			0 35
Computer Equipment (372.1)			1,998 36
Transportation Equipment (373)			9,559 37
Other General Equipment (379)			0 38
Other Tangible Property (390)			0 39
Total General Plant	0	0	11,557
Total utility plant in service directly assignable	0	(505)	178,153
Common Utility Plant Allocated to Water Department			0 40
Total utility plant in service	0	(505)	178,153

SOURCE OF SUPPLY, PUMPING AND PURCHASED WATER STATISTICS

Month (a)	Sources of Water Supply			Total Gallons All Methods (000's) (e)	
	Purchased Water Gallons (000's) (b)	Surface Water Gallons (000's) (c)	Ground Water Gallons (000's) (d)		
January			2,117	2,117	1
February			2,060	2,060	2
March			2,102	2,102	3
April			2,051	2,051	4
May			2,334	2,334	5
June			2,853	2,853	6
July			2,990	2,990	7
August			2,487	2,487	8
September			2,334	2,334	9
October			2,185	2,185	10
November			2,034	2,034	11
December			2,055	2,055	12
Total for year	0	0	27,602	27,602	
Less: Measured or estimated water used in main flushing and water treatment during year				580	13
Less: Other utility use					14
Other utility use explanation:					15
Water pumped into distribution system				27,022	16
Less: Water sold				27,602	17
Losses and unaccounted for				(580)	18
Percent unaccounted for to the nearest whole percent (%)				-2%	19
If more than 25%, indicate causes and state what action has been taken to reduce water loss:					20
Maximum gallons pumped by all methods in any one day during reporting year				169	21
Date of maximum: 11/15/1997					22
Cause of maximum:					23
DRY WEATHER/ FILLING SWIMMING POOLS					
Minimum gallons pumped by all methods in any one day during reporting year				25	24
Date of minimum: 11/15/1997					25
Total KWH used for pumping for the year				45,360	26
If water is purchased:Vendor Name:					27
Point of Delivery:					28

SOURCES OF WATER SUPPLY - GROUND WATERS

Location (a)	Identification Number (b)	Depth in feet (c)	Well Diameter in inches (d)	Yield Per Day in gallons (e)	Currently In Service? (f)	
6939 235TH AVE	#1	136	12	0	Yes	1
6939 235TH AVE	#2	141	6	0	Yes	2

SOURCES OF WATER SUPPLY - SURFACE WATERS

Location (a)	Intakes			
	Identification Number (b)	Distance From Shore in feet (c)	Depth Below Surface in feet (d)	Diameter in inches (e)
NONE				

1

PUMPING & POWER EQUIPMENT

1. Use a separate column for each pump.
2. Indicate purpose of pump by: P for primary (from source to reservoir, treatment or distribution system), B for booster (from reservoir or treatment to distribution system, or within distribution system), or S for standby pumping equipment.
3. Indicate destination (of water pumped) by: R for reservoir, T for treatment or D for distribution system.

Particulars (a)	Unit A (b)	Unit B (c)	Unit C (d)	
Identification	#1	#2		1
Location	6939 235TH AVENUE	6939 235TH AVENUE		2
Purpose	P	P		3
Destination	D	D		4
Pump Manufacturer	BRYON JACKSON	BRYON JACKSON		5
Year Installed	1958	1958		6
Type	VERTICAL TURBINE	VERTICAL TURBINE		7
Actual Capacity (gpm)	400	180		8
Pump Motor or Standby Engine Mfr	U S ELECTRIC	U S ELECTRIC		9
Year Installed	1958	1958		10
Type	ELECTRIC	ELECTRIC		11
Horsepower	30	15		12

Particulars (a)	Unit D (b)	Unit E (c)	Unit F (d)	
Identification				14
Location				15
Purpose				16
Destination				17
Pump Manufacturer				18
Year Installed				19
Type				20
Actual Capacity (gpm)				21
Pump Motor or Standby Engine Mfr				22
Year Installed				23
Type				24
Horsepower				25

RESERVOIRS, STANDPIPES & WATER TREATMENT

1. Identify as R (reservoir), S (standpipe) & ET (elevated tank).
2. Use a separate column for each using additional copies if necessary.
3. Enter elevation difference between highest water level in S or ET, (or R only on an elevated site) and the water main where the connection to the storage begins branching into the distribution system.

Particulars (a)	Unit A (b)	Unit B (c)	Unit C (d)
Identification number or name	#1		1
RESERVOIRS, STANDPIPES			2
OR ELEVATED TANKS			3
Type: R (reservoir), S (standpipe) or ET (elevated tank)	R		4
Year constructed	1958		5
Primary material (earthen, steel, concrete, other)	STEEL		6
Elevation difference in feet (See Headnote 3.)	3		7
Total capacity in gallons	10,000		8
WATER TREATMENT PLANT			9
Disinfection, type of equipment (gas, liquid, powder, other)			10
Points of application (wellhouse, central facilities, booster station, other)			11
Filters, type (gravity, pressure, other, none)			12
Rated capacity of filter plant (m.g.d.) (note: 1,200,000 gal/day = 1.2 m.g.d.)			13
Is a corrosion control chemical used (yes, no)?			14
Is water fluoridated (yes, no)?			15

WATER MAINS

1. Report mains separately by pipe material, function, diameter and either within or outside the municipal boundaries.
2. Identify pipe material as: L (Lead), M (Metal for all other metal excluding lead), A (Asbestos-cement), or P (Plastic for plastic and all other non-metal excluding asbestos-cement).
3. Identify function as: T (Transmission), D (Distribution) or S (Supply).
4. Explain all reported adjustments as a schedule footnote.
5. For main additions reported in column (e), as a schedule footnote:
 - a. Explain how the additions were financed.
 - b. If assessed against property owners, explain the basis of the assessments.
 - c. If the assessments are deferred, explain.

Number of Feet							
Pipe Material (a)	Main Function (b)	Diameter in Inches (c)	First of Year (d)	Added During Year (e)	Retired During Year (f)	Adjustments Increase or (Decrease) (g)	End of Year (h)
M	D	4.000	4,171				4,171
M	D	6.000	8,545				8,545
P	D	6.000	550				550
M	D	8.000	853				853
Total Within Municipality			14,119	0	0	0	14,119
Total Utility			14,119	0	0	0	14,119

1
2
3
4

WATER SERVICES

1. Explain all reported adjustments as a schedule footnote.
2. Report in column (h) the number of utility-owned services included in columns (c) through (g) which are temporarily shut off at the curb box or otherwise not in use at end of year.
3. For services added during the year in column (d), as a schedule footnote:
 - a. Explain how the additions were financed.
 - b. If assessed against property owners, explain the basis of the assessments.
 - c. If installed by a property owner or developer, explain the basis of recording the cost of the additions, the total amount and the number of services recorded under this method.
 - d. If any were financed by application of Cz-1, provide the total amount recorded and the number of services recorded under this method.
4. Report services separately by pipe material and diameter.
5. Identify pipe material as: L (Lead), M (Metal for all other metal excluding lead), A (Asbestos-cement) or P (Plastic for plastic and all other non-metal excluding asbestos-cement).

Pipe Material (a)	Diameter in Inches (b)	First of Year (c)	Added During Year (d)	Removed or Permanently Disconnected During Year (e)	Adjustments Increase or (Decrease) (f)	End of Year (g)	Utility Owned Services Not In Use at End of Year (h)	
M	0.750	246				246		1
M	1.000	8	1			9		2
M	1.500	1				1		3
M	2.000	1				1		4
Total Utility		256	1	0	0	257	0	

METERS

1. Include in Columns (b), (c), (d), (e) and (f) meters in stock as well as those in service.
2. Report in Column (c) all meters purchased during the year and in Column (d) all meters junked, sold or otherwise permanently retired during the year.
3. Use Column (e) to show correction to previously reported meter count because of inventory or property record corrections.
4. Totals by size in Column (f) should equal same size totals in Column (o).

Number of Utility-Owned Meters

Size of Meter (a)	First of Year (b)	Added During Year (c)	Retired During Year (d)	Adjustments Increase or (Decrease) (e)	End of Year (f)	Tested During Year (g)
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NONE

HYDRANTS AND DISTRIBUTION SYSTEM VALVES

1. Distinguish between fire and flushing hydrants by lead size.
 - a. Fire hydrants normally have a lead size of 6 inches or greater.
 - b. Record as a flushing hydrant where the lead size is less than 6 inches or if pressure is inadequate to provide fire flow.
2. Explain all reported adjustments in the schedule footnotes.
3. Report fire hydrants as within or outside the municipal boundaries.

Hydrant Type (a)	Number In Service First of Year (b)	Added During Year (c)	Removed During Year (d)	Adjustments Increase or (Decrease) (e)	Number In Service End of Year (f)	
Fire Hydrants						
Outside of Municipality					0	1
Within Municipality	9				9	2
Total Fire Hydrants	9	0	0	0	9	
Flushing Hydrants						
	2				2	3
Total Flushing Hydrants	2	0	0	0	2	

Wis. Admin. Code § 185.87 requires that a schedule shall be adopted and followed for operating each system valve and hydrant at least once each two years. Report the number operated during the year

Number of hydrants operated during year:	11
Number of distribution system valves end of year:	40
Number of distribution valves operated during year:	0

WATER OPERATING SECTION FOOTNOTES

Other Operating Revenues (Water) (Page W-04)

Fire Protection Amount not applicable to utility operations.

Property Tax Equivalent (Water) (Page W-07)

Pursuant to the provisions of s. 66.069(1)(c), Stats., the Village of Paddock Lake passed a motion on March 30, 1998 to forgive the tax equivalent for 1997 due from the Water Utility. The amount was \$3,615. A copy of the motion is attached to the report.

Water Utility Plant in Service (Page W-08)

Adjustment in Column f. for Hydrants: This is a correction to the prior year in which a dry hydrant was added but the General Fund actually paid for a portion of the cost. This adjustment was made in 1997 in the amount of \$505.

Water Services (Page W-16)

One service was added during the year paid for by the developer of the new home.

Meters (Page W-17)

The Village does not have meters and therefore are not tested.

Hydrants and Distribution System Valves (Page W-18)

The distribution valves are scheduled to be operated once every two years. The next year of operation will be 1998.
